Activities of S.D.F.

3167. SHRI SHIBU SOREN : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that Steel Authority of India is not in a position to pay the interest on the loan obtained for the Steel Development Fund (SDF).

(b) if so, the details thereof;

(c) the details of the activities of Steel Development Fund alongwith its budget expenditure in the last three years, year-wise; and

(d) the details of the adverse effects on the research and development projects of SAIL, on account of paucity of sufficient funds for it ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) No, sir.

(b) Does not arise in view of (a) above.

(c) The Steel Development Fund (SDF) was set up basically to create a non-budget resource to finance the modernisation/expansion schemes of the main producers. The activities that are financed from the SDF include :—

(i) Modernisation schemes of the main producers.

(ii) Providing rebates to Small Scale Industries Corporations for distribution of Iron and Steel to Small Scale Industries.

(iii) Expenditure on the Economic Research Unit of the Joint Plant Committee (JPC).

(iv) Scheme for export promotion and market development.

(v) Schemes for environment protection and pollution control in the iron and steel sector.

(vi) Research programmes in the iron and steel sector.

(vii) Expenditure on the Prime Minster's Trophy given to the best Integrated Steel Plant each year.

The budget expenditure of SDF during the last three years is as follows :—

(Rs. in crores)

	1997-98	1998-99	1999-2000
1. SSIC Rebate	7.11	2.51	2.17
2. Expenditure including ERU, Survey Fees, Bank charges etc.	2.32	1.84	2.02
3. R&D Expenditure	0.08	2.67	23.62

(d) There is no adverse effect on the research and development projects of SAIL because of paucity of funds.

Status of Sponge Iron Industry

3168. SHRI C. RAMACHANDRAIAH : Will the Minister of STEEL be pleased to state :

(a) the status of sponge iron production in the country;

(b) whether Andhra Pradesh has the ideal resources for encouraging a sponge iron industry;

(c) whether it is a fact that outdated policies and bureaucratic procedures have hampered the growth of sponge iron industry in Andhra Pradesh;

(d) whether any survey has been made of the potential of sponge iron production in the country;

(e) the steps proposed to revive and encourage the sponge iron industry;

(f) whether any effort has been made by Government to encourage exploitation of low grade iron ore in the country; and

(g) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) There are 26 sponge iron plants in the country, having a capacity of 6.39 Million Tonnes Per Annum. Out of these, 3 plants are gas based with a capacity of 3.76 Million Tonnes Per Annum; the remaining 23 are coal based sponge iron plants with a capacity of 2.63 Million Tonnes Per Annum.